

**Exhibit 300 (BY2009)**

<b>PART ONE</b>	
<b>OVERVIEW</b>	
<b>1. Date of Submission:</b>	2007-09-10
<b>2. Agency:</b>	015
<b>3. Bureau:</b>	45
<b>4. Name of this Capital Asset:</b>	Exfirs Files Information Retrieval Systems (ExFIRS)
<b>5. Unique Project Identifier:</b>	015-45-01-12-01-2464-00
<b>6. What kind of investment will this be in FY2009?</b>	
Mixed Life Cycle	
<b>7. What was the first budget year this investment was submitted to OMB?</b>	
FY2008	
<b>8. Provide a brief summary and justification for this investment, including a brief description of how this closes in part or in whole an identified agency performance gap.</b>	
<p>The Department of Treasury charges the Internal Revenue Service (IRS) with the enforcement of all Federal taxes, and within the IRS, the Division of Specialty Taxes under the Small Business/Self Employed Division is charged with motor fuel excise tax compliance. In the Department of Transportation, the Federal Highway Administration (FHWA) is charged with stewardship of the Federal Highway Trust Fund (HTF) and administration for the FHWA's motor fuel tax evasion program. These two agencies have been working in conjunction with the States since the late 1980s to address motor fuel evasion, developing and modifying strategies to better staunch the leakage of HTF fund dollars. Past efforts include supporting changes in legislation and tax collection procedures, and allocating additional enforcement resources. The most significant and effective changes have been moving the point of taxation to the terminal rack for diesel fuel and requiring untaxed diesel and kerosene to be dyed. The first year after these changes were implemented, revenues were up by 1.2 billion with about half attributed to increased compliance. This investment has existed since 1999 after it was created by Congressional mandate in response to schemes by organized crime syndicates to evade motor fuel excise tax payments. ExFIRS serves as the application system which collects the excise taxes. The main DME goal is to move this investment on to the IRS Infrastructure which will require some re-writes of the six ExFIRS applications.</p>	
<b>9. Did the Agency's Executive/Investment Committee approve this request?</b>	
yes	
<b>9.a. If "yes," what was the date of this approval?</b>	
2007-08-16	
<b>10. Did the Project Manager review this Exhibit?</b>	
yes	
<b>11. Project Manager Name:</b>	
Solomonik, Michelle	
<b>Project Manager Phone:</b>	
202-283-3082	
<b>Project Manager Email:</b>	
michelle.l.solomonik@irs.gov	
<b>11.a. What is the current FAC-P/PM certification level of the project/program manager?</b>	
TBD	
<b>12. Has the agency developed and/or promoted cost effective, energy-efficient and environmentally sustainable techniques or practices for this project.</b>	
no	
<b>12.a. Will this investment include electronic assets (including computers)?</b>	

yes	
13. Does this investment directly support one of the PMA initiatives?	
yes	
If yes, select the initiatives that apply:	
Expanded E-Government	
13.a. Briefly and specifically describe for each selected how this asset directly supports the identified initiative(s)? (e.g. If E-Gov is selected, is it an approved shared service provider or the managing partner?)	
ExFIRS addresses the development of electronic systems used to enforce and enhance the collection of excise taxes as well as other provisions in the legislation targeted at addressing the evasion of highway use taxes. This would include the electronic reporting of fuel transactions, the collection, analysis and sharing of information, an electronic claims filing system and database of vehicle highway payments.	
14. Does this investment support a program assessed using the Program Assessment Rating Tool (PART)?	
no	
15. Is this investment for information technology?	
yes	
16. What is the level of the IT Project (per CIO Council's PM Guidance)?	
Level 2	
17. What project management qualifications does the Project Manager have? (per CIO Council's PM Guidance)	
(1) Project manager has been validated as qualified for this investment	
18. Is this investment identified as high risk on the Q4 - FY 2007 agency high risk report (per OMB memorandum M-05-23)?	
yes	
19. Is this a financial management system?	
no	
20. What is the percentage breakout for the total FY2008 funding request for the following? (This should total 100%)	
Hardware	0
Software	4
Services	95
Other	1
21. If this project produces information dissemination products for the public, are these products published to the Internet in conformance with OMB Memorandum 05-04 and included in your agency inventory, schedules and priorities?	
n/a	
22. Contact information of individual responsible for privacy related questions.	
Name	
Carlos Moura	
Phone Number	
202- 927-0730	
Title	
Management and Program Analyst	
Email	
carlos.moura@irs.gov	
23. Are the records produced by this investment appropriately scheduled with the National Archives and Records Administration's approval?	
yes	
24. Does this investment directly support one of the GAO High Risk Areas?	
no	

## SUMMARY OF SPEND

1. Provide the total estimated life-cycle cost for this investment by completing the following table. All amounts represent budget authority in millions, and are rounded to three decimal places. Federal personnel costs should be included only in the row designated Government FTE Cost, and should be excluded from the amounts shown for Planning, Full Acquisition, and Operation/Maintenance. The total estimated annual cost of the investment is the sum of costs for Planning, Full Acquisition, and Operation/Maintenance. For Federal buildings and facilities, life-cycle costs should include long term energy, environmental, decommissioning, and/or restoration costs. The costs associated with the entire life-cycle of the investment should be included in this report.

All amounts represent Budget Authority

	PY-1 & Earlier	PY	CY
	-2006	2007	2008
Planning Budgetary Resources	0.000	0.000	0.000
Acquisition Budgetary Resources	0.000	0.280	0.110
Maintenance Budgetary Resources	0.000	4.730	3.890
Government FTE Cost	0.000	0.580	1.190
# of FTEs	0	4	8

Note: For the cross-agency investments, this table should include all funding (both managing partner and partner agencies).

Government FTE Costs should not be included as part of the TOTAL represented.

2. Will this project require the agency to hire additional FTE's?

no

## PERFORMANCE

In order to successfully address this area of the exhibit 300, performance goals must be provided for the agency and be linked to the annual performance plan. The investment must discuss the agency's mission and strategic goals, and performance measures (indicators) must be provided. These goals need to map to the gap in the agency's strategic goals and objectives this investment is designed to fill. They are the internal and external performance benefits this investment is expected to deliver to the agency (e.g., improve efficiency by 60 percent, increase citizen participation by 300 percent a year to achieve an overall citizen participation rate of 75 percent by FY 2xxx, etc.). The goals must be clearly measurable investment outcomes, and if applicable, investment outputs. They do not include the completion date of the module, milestones, or investment, or general goals, such as, significant, better, improved that do not have a quantitative measure.

Agencies must use the following table to report performance goals and measures for the major investment and use the Federal Enterprise Architecture (FEA) Performance Reference Model (PRM). Map all Measurement Indicators to the corresponding Measurement Area and Measurement Grouping identified in the PRM. There should be at least one Measurement Indicator for each of the four different Measurement Areas (for each fiscal year). The PRM is available at [www.egov.gov](http://www.egov.gov). The table can be extended to include performance measures for years beyond FY 2009.

	Fiscal Year	Strategic Goal Supported	Measurement Area	Measurement Grouping	Measurement Indicator	Baseline	Planned Improvement to the Baseline	Actual Results
1	2007	Ensure Professionalism, Excellence, Integrity, and Accountability in the Management and Conduct of the Depart. of Treasury	Technology	Operations and Maintenance Costs	Decrease in Contractor O&M costs	7.5	5.5	5.036 dollars spend on contract.
2	2007	Ensure Professionalism,	Mission and Business	Taxation Management	The number of Excise Taxes	127,640,249	320,000,000	102,321,506 dollars

		Excellence, Integrity, and Accountability in the Management and Conduct of the Depart. of Treasury	Results		collected			collected
3	2007	Ensure Professionalism, Excellence, Integrity, and Accountability in the Management and Conduct of the Depart. of Treasury	Processes and Activities	Compliance	The number of Excise Tax cases closed.	16,315	30,000	12,750 number of cases closed
4	2007	Ensure Professionalism, Excellence, Integrity, and Accountability in the Management and Conduct of the Depart. of Treasury	Customer Results	Automation	The number of 4010 users converted to 4030	1321	1000	777 terminals converted to 4030
5	2008	Ensure Professionalism, Excellence, Integrity, and Accountability in the Management and Conduct of the Depart. of Treasury	Technology	Operations and Maintenance Costs	Decrease in Contractor O&M costs	Will be set by actual results in FY08	5.5	N/A
6	2008	Ensure Professionalism, Excellence, Integrity, and Accountability in the Management and Conduct of the Depart. of Treasury	Mission and Business Results	Taxation Management	The number of Excise Taxes collected	Will be set by actual results in FY08	352,000,000	N/A
7	2008	Ensure Professionalism, Excellence, Integrity, and Accountability in the Management and Conduct of the Depart. of Treasury	Processes and Activities	Compliance	The number of Excise Tax cases closed	Will be set by actual results in FY08	36,000	N/A
8	2008	Ensure Professionalism, Excellence, Integrity, and	Customer Results	Automation	The number of 4010 users converted to 4030	Will be set by actual results in FY08	321	N/A

		Accountability in the Management and Conduct of the Depart. of Treasury						
9	2009	Ensure Professionalism, Excellence, Integrity, and Accountability in the Management and Conduct of the Depart. of Treasury	Technology	Operations and Maintenance Costs	Decrease in Contractor O&M costs	Will be set by actual results in FY09	5.5	N/A
10	2009	Ensure Professionalism, Excellence, Integrity, and Accountability in the Management and Conduct of the Depart. of Treasury	Mission and Business Results	Taxation Management	The number of Excise taxes collected	Will be set by actual results in FY09	387,200,000	N/A
11	2009	Ensure Professionalism, Excellence, Integrity, and Accountability in the Management and Conduct of the Depart. of Treasury	Processes and Activities	Compliance	The number of Excise Tax cases closed	Will be set by actual results in FY09	43,200	N/A
12	2009	Ensure Professionalism, Excellence, Integrity, and Accountability in the Management and Conduct of the Depart. of Treasury	Processes and Activities	Savings and Cost Avoidance	The costs savings from converting to 4030s	Will be set by actual results in FY09	TBD	N/A
13	2010	Ensure Professionalism, Excellence, Integrity, and Accountability in the Management and Conduct of the Depart. of Treasury	Technology	Operations and Maintenance Costs	Decrease in Contractor O&M costs	Will be set by actual results in FY10	4.5	N/A
14	2010	Ensure Professionalism, Excellence, Integrity, and Accountability in the	Mission and Business Results	Taxation Management	The number of Excise Taxes collected	Will be set by actual results in FY10	425,920,000	N/A

		Management and Conduct of the Depart. of Treasury						
15	2010	Ensure Professionalism, Excellence, Integrity, and Accountability in the Management and Conduct of the Depart. of Treasury	Processes and Activities	Compliance	The number of Excise Tax cases closed	Will be set by actual results in FY10	47,520	N/A
16	2010	Ensure Professionalism, Excellence, Integrity, and Accountability in the Management and Conduct of the Depart. of Treasury	Processes and Activities	Savings and Cost Avoidance	The cost savings from converting to 4030s.	Will be set by actual results in FY10	TBD	N/A

EA
<i>In order to successfully address this area of the business case and capital asset plan you must ensure the investment is included in the agency's EA and Capital Planning and Investment Control (CPIC) process, and is mapped to and supports the FEA. You must also ensure the business case demonstrates the relationship between the investment and the business, performance, data, services, application, and technology layers of the agency's EA.</i>
1. Is this investment included in your agency's target enterprise architecture?
yes
2. Is this investment included in the agency's EA Transition Strategy?
yes
2.a. If yes, provide the investment name as identified in the Transition Strategy provided in the agency's most recent annual EA Assessment.
'Excise Files Information Retrieval System (ExFIRS)' per next release of Treasury EA Transition Strategy. The investment's transition to the IRS Infrastructure should align it w/ the 'EA-driven controls & best practices' standard of Treasury's 'Enterprise-wide Initiatives'. The investment aligns w/ the 'E-Gov. Expanding Electronic Tax Products for Businesses' initiative for Taxation Management LoB.
3. Is this investment identified in a completed (contains a target architecture) and approved segment architecture?
yes
3.a. If yes, provide the name of the segment architecture as provided in the agency's most recent annual EA Assessment.
Enterprise Transition Plan, Volume 1: Enterprise Transition Strategy (IRS)
4. Identify the service components funded by this major IT investment (e.g., knowledge management, content management, customer relationship management, etc.). Provide this information in the format of the following table. For detailed guidance regarding components, please refer to <a href="http://www.whitehouse.gov/omb/egov/">http://www.whitehouse.gov/omb/egov/</a> .
Component: Use existing SRM Components or identify as NEW. A NEW component is one not already identified as a service component in the FEA SRM.
Reused Name and UPI: A reused component is one being funded by another investment, but being used by this investment. Rather than answer yes or no, identify the reused service component funded by the other investment and identify the other investment using the Unique Project Identifier (UPI) code from the OMB Ex 300 or Ex 53 submission.
Internal or External Reuse?: Internal reuse is within an agency. For example, one agency within a department is reusing a service component provided by another agency within the same department. External reuse is one agency within a department reusing a service component provided by another agency in another department. A good example of this is an E-Gov initiative service being reused by multiple organizations across the federal government.
Funding Percentage: Please provide the percentage of the BY requested funding amount used for each service component listed in the

table. If external, provide the funding level transferred to another agency to pay for the service.

	Agency Component Name	Agency Component Description	Service Type	Component	Reused Component Name	Reused UPI	Internal or External Reuse?	Funding %
1	Information Retrieval	Allow access to data and information for use by an organization and its stakeholders.	Knowledge Management	Information Retrieval			No Reuse	5
2	Data Exchange	Support the interchange of information between multiple systems or applications; includes verification that transmitted data was received unaltered.	Data Management	Data Exchange			No Reuse	10
3	Data Mart	Support a subset of a data warehouse for a single department or function within an organization.	Data Management	Data Mart			No Reuse	10
4	Data Warehouse	Support the archiving and storage of large volumes of data.	Data Management	Data Warehouse			No Reuse	15
5	Document Library	Support the grouping and archiving of files and records on a server.	Collaboration	Document Library			No Reuse	20
6	Software Development	Support the creation of both graphical and process application or system software.	Development and Integration	Software Development			No Reuse	20
7	Enterprise Application Integration	Support the redesigning of disparate information systems into one system that uses a common set of data structures and rules.	Development and Integration	Enterprise Application Integration			No Reuse	20

5. To demonstrate how this major IT investment aligns with the FEA Technical Reference Model (TRM), please list the Service Areas, Categories, Standards, and Service Specifications supporting this IT investment.

FEA SRM Component: Service Components identified in the previous question should be entered in this column. Please enter multiple rows for FEA SRM Components supported by multiple TRM Service Specifications.

Service Specification: In the Service Specification field, Agencies should provide information on the specified technical standard or vendor product mapped to the FEA TRM Service Standard, including model or version numbers, as appropriate.

	SRM Component	Service Area	Service Category	Service Standard	Service Specification (i.e., vendor and product name)
1	Information Retrieval	Service Access and Delivery	Service Requirements	Legislative / Compliance	Section 508; Security policy, procedures
2	Data Exchange	Service Platform and Infrastructure	Support Platforms	Platform Independent	J2EE, .NET, Web Methods
3	Data Exchange	Service Platform and Infrastructure	Support Platforms	Platform Dependent	.NET, J2EE
4	Enterprise Application Integration	Service Platform and Infrastructure	Software Engineering	Integrated Development Environment	Web Sphere Studio (J2EE), Visual Studio.NET
5	Software Development	Service Platform and Infrastructure	Software Engineering	Software Configuration Management	Version Management, Defect Tracking, Change Management, Deployment Management, Requirements Management & Traceability
6	Document Library	Service Platform and Infrastructure	Database / Storage	Database	Oracle, SQL Server
7	Data Exchange	Service Platform and Infrastructure	Hardware / Infrastructure	Servers / Computers	Enterprise Server
8	Information Retrieval	Component Framework	Presentation / Interface	Static Display	HTML
9	Software Development	Component Framework	Presentation / Interface	Dynamic Server-Side Display	JSP (J2EE), ASP (Microsoft)
10	Software Development	Component Framework	Business Logic	Platform Dependent	C-Sharp (C#)
11	Data Exchange	Component Framework	Data Interchange	Data Exchange	Electronic Business using XML (be-XML)
12	Data Warehouse	Component Framework	Data Management	Database Connectivity	Microsoft OLE/DB
13	Data Mart	Service Interface and Integration	Interface	Service Description / Interface	API

6. Will the application leverage existing components and/or applications across the Government (i.e., FirstGov, Pay.Gov, etc)?

no

## PART TWO

### RISK

*You should perform a risk assessment during the early planning and initial concept phase of the investment's life-cycle, develop a risk-adjusted life-cycle cost estimate and a plan to eliminate, mitigate or manage risk, and be actively managing risk throughout the investment's life-cycle.*

*Answer the following questions to describe how you are managing investment risks.*

1. Does the investment have a Risk Management Plan?

yes

1.a. If yes, what is the date of the plan?



2007-07-02
1.b. Has the Risk Management Plan been significantly changed since last year's submission to OMB?
yes
1.c. If yes, describe any significant changes:
The Risk Management Plan focuses on risks associated with its DME goal of transitioning to the IRS Infrastructure, such as schedule, funding, and the scheduled manufacturer no longer supporting there servers and/or applications. There was a three month delay in the award of the development contract. The delay will impact the schedule this will become a risk for mitigation.
3. Briefly describe how investment risks are reflected in the life cycle cost estimate and investment schedule:
The life-cycle costs are risk-adjusted into the annual budget process; also, due to the fact the following two identified risks remain at a Medium risk level even if their mitigating strategies are followed: 'Initial Costs' and 'Technical Obsolescence'. The contract award delay will impact the schedule this will become a risk for mitigation.
<b>COST &amp; SCHEDULE</b>
1. Does the earned value management system meet the criteria in ANSI/EIA Standard 748?
no
2. Is the CV% or SV% greater than $\pm 10\%$ ?
yes
2.a. If yes, was it the?
Both
2.b. If yes, explain the variance.
The ExFIRS cost variance is due to incorrect dollar amounts being reported in the E-300. The E-300 reports approved funding at 6.5M for FY07, yet the expenditure plan projects actual cost of 14.4M for FY07. These costs have been discussed and approved with the MITS Executives, Governance, and DOT. The source of approved funding is the Department of Transportation. Contract award was scheduled for January 2007 but was not awarded to May 2, 2007.
2.c. If yes, what corrective actions are being taken?
The project has been following the ELC methodology (currently in MS 3/4a). The project will be using the AD monthly EVM tool when reporting for ExFIRS. Will align the milestone plan to reflect the current approved spending plan, schedule and budget. A BCR was submitted (8/3/07) to reflect the change in cost and schedule.
3. Has the investment re-baselined during the past fiscal year?
no